

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Health	(2) MEETING DATE 4/5/2016	(3) CONTACT/PHONE Mike Taylor 781-4876	
(4) SUBJECT Request to approve the First Amendment (Clerk's File) to increase the K. Dane Howalt, M.D. Contract by \$28,295 to a not to exceed amount of \$93,295 in FY 2015-16 and to \$161,150 for each fiscal year thereafter through FY 2018-19 to provide physician services to inmates at the County jail. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve the First Amendment to increase the K. Dane Howalt, M.D. Contract to a not to exceed amount of \$93,295 in FY 2015-16 and \$161,150 for each fiscal year thereafter through FY 2018-19.			
(6) FUNDING SOURCE(S) GF/ Public Safety Realignment	(7) CURRENT YEAR FINANCIAL IMPACT Increase budgeted amount by \$28,295 Not to exceed \$93,295.00	(8) ANNUAL FINANCIAL IMPACT \$161,150.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>08/26/2014</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest, Administrative Analyst			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Health / Mike Taylor
781-4876

DATE: 4/5/2016

SUBJECT: Request to approve the First Amendment (Clerk's File) to increase the K. Dane Howalt, M.D. Contract by \$28,295 to a not to exceed amount of \$93,295 in FY 2015-16 and to \$161,150 for each fiscal year thereafter through FY 2018-19 to provide physician services to inmates at the County jail. All Districts.

RECOMMENDATION

recommended that the Board approve the First Amendment to increase the K. Dane Howalt, M.D. Contract to a not to exceed amount of \$93,295 in FY 2015-16 and \$161,150 for each fiscal year thereafter through FY 2018-19.

DISCUSSION

Title 15 of the State of California Code of Regulations requires that county jail facilities ensure that emergency and basic health care services are provided to all inmates. To accomplish this, basic health care services are provided to inmates through Registered Nurse assessments and clinical protocols, medication administration by Licensed Vocational Nurses and Psychiatric Technicians, and at physician-attended clinics six mornings a week. Inmates are seen by a physician by request or as follow-up care ordered by the physician or nurse. The physician's role is to gather medical history from the inmate patient and prior medical records, perform physical examinations, order laboratory and radiology testing, initiate medication orders and renewals, and provide direction to the nurses regarding test results, wound management and ongoing care. Additionally, jail physicians provide on-call consultation services for the nurses on duty as needed. Rotating physicians typically provide on-call services the same day as their scheduled clinic and sign up to be on-call the one day per week when a clinic is not scheduled.

Even though the inmate census has been largely stabilized over the past year or two, the demand for physician visits has continued to grow due to a greater number and complexity of medical conditions among inmates. Thus, a medical clinic which used to typically last about 2 hours now routinely requires 3 hours.

Dr. Howalt has been providing clinic services at the jail since 2003. Historically, Dr. Howalt has been one of three or four rotating physicians providing clinic services at the jail. In FY 2015-16 this has changed as three of the other contracted physicians have left the County Jail medical unit for other positions. As a result of these departures, Dr. Howalt has been carrying the lion's share of covering the medical clinics and on-call duties. Recruitment of new physicians, or Nurse Practitioners and Physician's Assistants, to join the team of contracted clinicians has not borne much fruit over the past year, with only one new physician coming on board and with limited availability. Thus, it has become necessary to increase K. Dane Howalt's overall contract amount to reflect the cumulative amount of all jail physician time, in the event no other physician is available.

There continues to be a nationwide shortage of physicians. A number of demographic and other factors continue to make this shortage especially prevalent in San Luis Obispo County, where demands for services exceed available resources. Recruiting for independent contractors to fill a fixed schedule each day often conflicts with other commitments physicians have made in their private practice or other employment such as the California Men's Colony and Atascadero State Hospital. The department has sought to hire medical doctors through physician groups at local hospitals, other local correctional facilities, and medical clinics including Community Health Centers, Cal Poly, and Urgent Care companies. We have reached out to professional societies and practice groups to recruit Nurse Practitioners and Physician's Assistants. We have also looked into using assigned clinicians through arrangements with Locum Tenens, a healthcare

recruiting agency. Thus far, finding available physicians or mid-level practitioners to work the limited clinic hours remains difficult.

In addition to the increased frequency of his coverage, the second reason to increase the contractual amount for Dr. Howalt is the increased length of time that a medical clinic is taking. The greater medical complexity, particularly in longer-term inmates, also results in more consultation needed from the physician while on-call. Compensation therefore needs to be adjusted, in order to retain existing physician coverage and to successfully recruit additional providers, so that the Jail medical unit can meet the Title 15 requirements and the health care needs of the inmate population.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed the contract amendment as to form and legal effect.

FINANCIAL CONSIDERATIONS

The medical clinic rate is proposed to increase by \$95, from \$250 to \$345, to retain adequate physician coverage and to compensate the physicians for the additional length of time (approx. 1 hr.) that the average clinic is now taking. In addition to the clinics, jail physicians' on-call rates are proposed to increase by \$25, from \$50 to \$75 for each weekday, and by \$40, from \$60 to \$100 for each weekend and holiday. Existing rates for jail physicians have remained relatively constant over the previous six fiscal years, with a single \$7.45 or 3% increase to the medical clinic rate at the beginning of FY 2014-15, as depicted in the chart below:

Jail Physician	FY 2009-10 Rate	FY 2010-11 Rate	FY 2011-12 Rate	FY 2012-13 Rate	FY 2013-14 Rate	FY 2014-15 Rate	FY 2015-16 Rate effective July 1, 2015	FY 2015-16 Rate effective April 1, 2016
Medical Clinic	\$ 242.55	\$ 242.55	\$ 242.55	\$ 242.55	\$ 242.55	\$ 250.00	\$ 250.00	\$ 345.00
Weekday On-Call	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 75.00
Weekend/Holiday On-Call	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 100.00

The FY 2015-16 Adopted Budget included \$112,160 for jail physicians and with the proposed rate increases effective April 1, 2016, it is forecasted that total jail physician expenditures will exceed the budgeted level by \$3,700 and total \$115,860 at year-end. The relatively small increase in expense is in part due to not always having enough physician coverage for six clinics a week. The \$3,700 increase in FY 2015-16 will be offset by appropriation savings in salaries and benefits from vacancies in other permanent staff positions; a budget adjustment will be prepared in the fourth quarter to move salary savings for this and other services and supplies increases. In FY 2016-17, the Status Quo Budget submittal included the proposed compensation increases and Public Safety Realignment funding (AB 109) will cover 30% of the increase.

Setting the overall limit of Dr. Howalt's contract at the new levels, \$93,295 in FY 2015-16 and \$161,150 in FY 2016-17 and beyond, will give the Department the flexibility to utilize this one particular physician for all services should that circumstance prove necessary., or a combination of providers during the year. In FY 2015-16, the overall limit of Dr. Howalt's contract will be \$115,860 less for a total of \$93,295. The \$93,295 not to exceed amount for Dr. Howalt in FY 15-16 was estimated based on the following:

- \$55,310 - Dr. Howalt's year to date expenditures, from July 1, 2015 – March 31, 2016
- \$37,985 – Dr. Howalt's projected expenditures for the remainder of the year, from April 1, 2016 – June 30, 2016, at the new rates

The overall expenditure on Jail physician contracts is projected at \$115,860, which includes \$22,565 for other contract physician costs through the first three quarters of the fiscal year.

RESULTS

The recommended contract amendment with Dr. Howalt meets the requirements of Title 15 of the State of California Code of Regulations. This contract meets the County's Community-wide Results for a Healthy Community: "The County will strive to ensure all people in our community enjoy healthy, successful and productive lives, and have access to the basic necessities."

ATTACHMENTS

1. First Amendment to K. Dane Howalt, M.D. Contract